



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0366	Title:	Revise motor vehicle laws
Primary Sponsor:	Brueggeman, John	Status:	As Introduced

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|--|--|--|
| <input checked="" type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$25,600	\$0	\$0	\$0
Revenue:				
General Fund	\$430,497	\$574,421	\$579,800	\$586,311
Net Impact-General Fund Balance:	<u>\$404,897</u>	<u>\$574,421</u>	<u>\$579,800</u>	<u>\$586,311</u>

Description of fiscal impact:

Under SB 366, a person that receives a fine related to a speed limit violation may pay double the fine in lieu of being assessed points under 61-11-203, MCA. The costs associated with programming the Montana Enhanced Registration and Licensing Information Network (MERLIN) in FY 2010 would be offset by the increase in general fund revenue

FISCAL ANALYSIS

Assumptions:

Department of Justice

Montana Highway Patrol (MHP)

- Under section one of SB 366, a person that is cited for a speeding violation that has its fine set under 61-8-303, MCA, may pay double the normal fine in lieu of being assessed points under 61-11-203, MCA.
- Currently approximately 49% of all citations written by the Montana Highway Patrol (MHP) are to enforce speed limits.
- The driver records show that statewide of the 108,970 violations that were recorded in CY 2008, approximately 15,425 or 14.2% were for violations under 61-8-303, MCA, (15,425/108,970=14.2%). Some drivers currently use other sanctioned options to avoid insurance points, while others have speeding violations that are below the threshold for insurance points and would choose to not pay the doubled fine.

4. For purposes of this fiscal note, it is assumed that 14.2 % of drivers stopped for all violations would incur an eligible fine and would choose to pay twice the normal fine in lieu of earning points on their driving record.
5. Based on the October 1 2009 effective date of SB 366, the FY 2010 revenue increase would be based on the 75% of the fiscal year revenue.
6. The HJR 2 highway patrol fine revenue estimates are presented below and extended for FY 2012 and FY 2013 by applying the OBPP revenue estimate growth rates of 0.93% and 1.12%, respectively. The revenue impact of SB 366 is also presented in the table below:

Estimated Increase in Highway Patrol Fine Revenue Under SB 366				
	FY 2010	FY 2011	FY 2012	FY 2013
HJR 2/OBPP Estimate	\$4,055,000	\$4,058,000	\$4,096,000	\$4,142,000
Adjustment for October 1 2009	\$3,041,250			
HB 336 Doubled Fines (14.2%)	\$430,497	\$574,421	\$579,800	\$586,311

Justice Information Technology Services Division (JITSD)

7. There are 158 Courts of Limited Jurisdiction in Montana. Once a court determines that the payment of a fine qualifies for a conviction points exception, the Court would have to annotate the conviction disposition. The Motor Vehicle Division (MVD) system would have to be able to read this indicator to determine if conviction points were or were not associated with the conviction for speeding.
8. Programming changes to the MERLIN system would be necessary to receive and recognize the inbound information and associate appropriate points to convictions that qualify for a court-authorized conviction points exception.
9. The Justice Information Technology Services Division (JITSD) will contract the programming changes to the system contractor. The total estimated cost of the programming is \$25,600 in FY 2010.
10. SB 366 is one of several bill drafts that seek to modify motor vehicle laws and therefore the motor vehicle licensing system (MERLIN). The fiscal note for each bill will be prepared based on the effect of the individual bill. However, when viewed as a package, the cumulative effect of passage of more than one bill will require additional analysis and may provide opportunities to share or redistribute costs.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
Department of Justice				
<u>Expenditures:</u>				
Operating Expenses	\$25,600	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$25,600	\$0	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$430,497	\$574,421	\$579,800	\$586,311
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$404,897	\$574,421	\$579,800	\$586,311

Effect on County or Other Local Revenues or Expenditures:

1. Highway patrol fines collected in Justice courts are distributed 50% to the county general fund and 50% to the state general fund. The effect on counties would be a similar increase in revenue for fines associated with speeding violations.

Technical Notes:

1. The fines paid are not reported by the courts to Department of Justice. Without an indicator flag from the courts, the Department of Justice would not have any means to determine whether points should be recorded for a citation / conviction report received.

Sponsor's Initials

Date

Budget Director's Initials

Date